

September 23, 2020

U.S. Senate
Washington, D.C. 20510

U.S. House of Representatives
Washington, D.C. 20515

Require Public Officials to Disclose the Receipt of Federal Grants and Loans and Make STOCK Act Transactions Fully Transparent

Dear Senators and Representatives:

We applaud Sen. Kirsten Gillibrand (D-NY) and Rep. Katie Porter (D-Cal.) for sponsoring legislation, called the “STOCK Act 2.0,” that would require:

- (i) Members of Congress and senior executive branch officials, including the president and vice president, to declare grants, loans or contracts received from the federal government on their personal financial disclosure reports; and
- (ii) Financial disclosures required under the STOCK Act by members of Congress and senior executive branch officials, including the president and vice president, be made available to the public in an on-line database that is fully searchable, sortable and downloadable.

We include the following organizations and academics: American Family Voices, California Clean Money Campaign, Center for Responsive Politics, Prof. Kathleen Clark, Communications Workers of America (CWA), End Citizens United/Let America Vote Action Fund, Environmental Working Group, Government Information Watch, NAACP, NETWORK Lobby for Catholic Social Justice, Oxfam America, Patriotic Millionaires, Project on Government Oversight (POGO), Public Citizen, Take On Wall Street, and Prof. James A. Thurber.

The COVID-19 pandemic has brought to light two serious shortcomings in the financial disclosure requirements for public officials. First, several lawmakers and executive branch officers received grants or low-interest loans under the Paycheck Protection Program, but an accounting of how many public officials received federal assistance under this program is far from complete. Other forms of federal assistance to public officials are also frequently hidden in ambiguous categories on the annual personal financial disclosure reports or not disclosed at all.

Second, it is painstakingly difficult, if not impossible, to monitor stock trading transactions of members of Congress and senior executive branch officials, despite the fact that these transactions are supposed to be made publicly available under the STOCK Act. While members of Congress report stock trading activity within 45 days of each significant transaction, the on-line database is not easily searchable, sortable or downloadable. Instead of being able to search for, say, all transactions made by lawmakers within the last three months, the public has to peruse through the PDFs of reports filed by each lawmaker one at a time – that means 535 searches have to be made to answer that one question. Furthermore, despite the fact that the

STOCK Act requires similar disclosures of stock trading activity by very senior executive branch officials, it appears that none are reporting these transactions.

STOCK Act 2.0 would bring all these secret financial dealings into the light of day. Public officials would have to report any significant federal assistance they have received on their personal financial disclosure reports, and lawmakers as well as very senior executive branch officials would have their stock transactions publicly disclosed in a manner easily accessible by the public.

STOCK Act 2.0 is a straightforward transparency measure that would close two gaping loopholes in the financial disclosure system exposed in the wake of the COVID-19 pandemic. We strongly support this legislation and encourage its prompt passage by Congress.

Sincerely,

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Center for Responsive Politics
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